

QUARTERLY REPORT
SECOND QUARTER – 2010
April 26, 2010 – June 20, 2010

Valley Broadcasting Company, Licensee of KVBC – TV, Channel 3, Serving, Las Vegas, Nevada, has determined that the issues of concern to the Community Served by it are as follows:

GROWTH:

In Las Vegas, **high unemployment** continues as a major stress point for locals. Job creation and industry development are critical at this point in time for our community. Additionally, **traffic** and **road work** continue to be an issue. Improvements to existing roads is an ongoing concern., however there has been a handful of local road projects that have moved forward due to existing government grants. Growth has continued to slow due to the economy. However, in the **building** and **construction** sector: existing house sales showed a slight increase while new housing starts are stagnant. Housing prices/Real Estate drive our local economy and are still a barometer for future economic growth. . **Utility issues** will also continue to be of concern. From growing power bills to water conservation, locals want to know how to maximize their dollars. Living in the desert will always have locals thinking about future water supplies. Water conservation and implementing a more “green” lifestyle will be important.

EDUCATION:

The quality of **education (K-12)** has been greatly affected by the **staff lay-offs** and **increased class sizes**. Clark County is focused on improving the current system in economically trying times. The overall **budget** and **search for a new Superintendent** to lead the school district has further stressed the system. A **change to an overall traditional nine month school year** is in place to help stretch limited educational dollars.

CRIME:

Crime remains one of the top concerns among Southern Nevada residents. Increases in alcohol and **DUI** related accidents as well as illegal **drug** use continue. **Gang** related violence is ongoing. Metro Police are also seeing an increase in sex crimes among young adults, and young children. **Burglary** and **graffiti** are not only affecting the city but outlying neighborhoods as well.

LIFESTYLES:

The **economic downslide** has transcended all aspects of our citizen’s lifestyles. **Health** and **Medical coverage** is of concern as more and more folks lose their benefits with their jobs. This also contributes to less available income to spend in our local economy: local restaurants, casinos, etc. The **Gaming industry** is still in the spotlight as folks have less available income **for gaming/vacationing**. Since many in Las Vegas work in the gaming industry - with less gaming revenues, this has directly impacted our lifestyles.

ECONOMY:

With belt tightening, **budget** slashing and **high unemployment**, Clark County has experienced hard economic conditions. **Mounting foreclosure** rate (Clark County is highest in the nation for foreclosures) – and stress on **tourism** (less visitors) – Las Vegas has definitely felt the stress and pinch of **less available household income**.

POLITICS:

The **economy/loss of jobs** has and will dominate this year's political arena. With Nevada having the **top Senate race** in process, all eyes will be on our state. **New health care reform** is a hot issue – as our taxes and **services provided**.

CHILDREN/SCHOOL:

Class size and **less staff** will have a direct effect on Clark County students. Budget cuts will diminish educational materials, resources and after school programs. With an already stressed system, the **quality of education and curriculum** will be tested.

CHILDREN/SAFETY:

School **bullying/cyber bullying** is a disturbing trend among our youngsters that is taking a psychological toll on normal childhood development. **Gangs** are still a concern and with that: alcohol, drugs and weapon abuse. **Texting** while driving is also a dangerous trend among our new teen drivers... as is **underage drinking**. **Child abuse/children at risk** in dangerous home situations continue in Las Vegas. As services are cut, there will be **less available resources for these children**.

CHILDREN/ACTIVITIES:

School sports and team activities are always great outlets for our young people in the community. Students also take part in extracurricular activities before and after school. Clubs, teams and after school jobs are of great value to young people in their growth and development to become good citizens. With many **community centers and schools be closed**, this will impact available outlets for these children in our communities.

CHILDREN/TECHONOLGY:

I/T has become part school curriculums, home life and is not only part of education but entertainment and socialization. Children and teens sometimes fall prey to the **dark side of technology**.... Sexual predators. **Internet safety** is an ongoing concern/along with restrictions on explicit websites with adult content. The evolution of iPhones, Blackberry's and texting has not only brought instant communication ... but pitfalls with misuses: **texting and driving, texting in school and sexting**. In addition to cyber bullying, with ease of instant communications' comes proper supervision in these new areas.

THE PROGRAMMING AND PUBLIC SERVICE ANNOUNCEMENTS PRODUCED AND AIRED BY VALLEY BROADCASTING COMPANY RESPOND TO THESE LOCAL ISSUES OF CONCERN. THE FOLLOWING IS A LIST OF PROGRAMMING AIRED DURING THE REPRESENTATIVE WEEKS OF:
APRIL 12-18, MAY 17-23, JUNE 14-2010.

STORIES APPEARING ON NEWS 3 TODAY, NEWS 3 AT NOON, NEWS 3 AT FOUR, NEWS 3 AT FIVE, NEWS 3 AT SIX, NEWS 3 NIGHTSIDE, NEWS 3 SUNRISE, WEEKEND REPORT, NEWS 3 TODAY, WEEKEND REPORT, NEWS 3 AT FIVE, WEEKEND REPORT, NEWS 3 AT SIX, WEEKEND REPORT, AND NEWS, NIGHTSIDE, WEEKEND REPORT ARE OF 1 MINUTE 15 SECOND/1 MINUTE 45 SECOND DURATION.

PROGRAMS APPEARING ON NEWS 3 INCLUDE 1) CRIMETRACKER, WHICH FOCUSES ON THE LATEST CRIME FIGHTING TECHNIQUES AND SPECIAL PROGRAMS PROVIDED BY LOCAL POLICE FOR THE COMMUNITY AND ANY HONORS OR AWARDS GIVEN TO POLICE; (2) SAVING YOU MONEY, WHICH FOCUSES ON TIPS TO MAKE YOUR DOLLAR GO FARTHER AND STORIES ABOUT THE ECONOMY; (3) FACE TO FACE WITH JON RALSTON, WHICH FEATURES POLITICAL AND TOPICAL GUESTS FROM THE STATE OF NEVADA, AND FOCUSES ON ISSUES OF THE STATE; (4) INSIDE NEVADA, A FIVE QUESTIONS INTERVIEW PROGRAM HOSTED BY SUNBELT/VALLEY BROADCASTING OWN, JIM ROGERS; (5) WWW.MYNEWS3.COM, OUR WEBSITE, WHICH FEATURES CRIMETRACKER, SAVING YOU MONEY, AND OTHER NEEDED INFORMATION 24 HOURS A DAY.

ADDITIONALLY, KVBC IS A STATION AFFILIATED WITH THE NATIONAL BROADCASTING COMPANY, INC. TELEVISION NETWORK. THE STATION CARRIES REGULARLY SCHEDULED PROGRAMMING OF THAT NETWORK WHICH INCLUDES PROGRAMS WHICH RESPOND TO ISSUES OF IMPORTANCE TO THE COMMUNITY.

KVBC PERIODICALLY HOSTS "CALL 4" PROGRAM, THIS IS A NEWS AND INFORMATIONAL STYLE PROGRAM OR SEGMENT WITHIN THE NEWS, WHICH IS DONE ON AN AS-NEEDED BASIS, DICTATED BY EVENTS AFFECTING OUR COMMUNITY. EXPERTS EXPERIENCED IN THE TOPIC KVBC COVERS ANSWERS TELEPHONE IN THE 'CALL 3" ROOM AND RESPOND TO SPECIFIC AND DIRECT INQUIRIES FROM THE COMMUNITY. THE CALL-IN PROGRAM IS CONDUCTED OVER A ONE TO THREE HOUR PERIOD AT THE TELEVISION STATION. KVBC DOES LIVE CUT-INS DURING "CALL3" WHICH RUNS DURING NEWSCASTS.